



MEDIA RELEASE

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FOR IMMEDIATE RELEASE
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COUNCIL APPROVES 2008 BUDGET AMENDMENTS

Median home property tax increase of \$7.40 per month

Medicine Hat – City Council today approved amendments to the 2008 Tax-Supported, Land and Properties, and Police Service Operating and Capital Budgets.

The approved budgets result in a monthly property tax increase of \$7.40 to a median home.

The amendments approved by City Council are:

- 2008 Tax Supported Operating Budget Revenue amendments of \$1,135,000 and Operating Expenditure amendments of \$2,401,000 for a net increase of \$1,266,000.
- Tax-Supported Capital Budget increase of \$960,000.
- 2008 Land and Properties Operating Budget revenue increase of \$4,496,000 and Operating expenditure increase of \$3,910,000, as well as a Capital budget increase of \$8,446,000.
- 2008 Police Services Operating Budget and Capital Improvements: Operating Revenue of \$5,352,000 and Operating Expenditures of \$18,154,000 for a Net Operating Expenditure of \$12,802,000. A Capital Improvement Plan expenditure of \$990,000.

"When the 2006-2008 budget was finalized these additional revenues and expenditures were not anticipated as the budgets were developed based on assumptions developed in 2005," says Gerry Labas, Chief Administrative Officer. "The upward pressure on the final year of that three-year budget process comes from growth, inflation, the need to respond to new service standards and regulations, and the increased costs of delivering and maintaining services."

Medicine Hat has experienced an annual growth of two per cent and building permits are at a 10-year high. Medicine Hat has the second highest new housing starts among the four Alberta mid-sized cities (per 1,000 population).

City Council approved the first multi-year budget (2006-2008) in 2005. As part of the multi-year budget process, amendments may be made to the operating and capital budgets based on Council's approval.

The City's Utilities (Gas, Electric, Water, Sewer, Solid Waste) are self-sustaining and operate without tax support.

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